Thabachweu Local Municipality

NO	PROCEDURE	FREQ	RESPONSIBLE	KPI	APPLICABLE POLICY
1.	Ordering of Stores:				
1.1	Stores reorder levels must be set for all items.	Ongoing	CFO	Yes	Supply Chain Policy
1.2	A reorder listing should be printed daily and reviewed by the Stores Controller.	Ongoing	CFO	Yes	Supply Chain Policy
1.3	The Stores Controller: • Must use the listing as a primary source of information to complete the purchase requisition; and • Should also consult the concerned Head of Department about stores required for planned maintenance	Ongoing	CFO	Yes	Supply Chain Policy
1.4	The purchase requisition must be completed in duplicate, with one copy kept in the requisition book and an original copy forwarded to the buying section.	Ongoing	CFO	Yes	Supply Chain Policy
1.5	A copy of the purchase order form will then be forwarded by the buying section to the stores section.	Ongoing	CFO	Yes	Supply Chain Policy
1.6	The order must be matched to the requisition copy to verify that the correct quantities and correct items have been ordered.	Ongoing	CFO	Yes	Supply Chain Policy
1.7	Orders must thereafter be filed in date sequence.	Ongoing	CFO	Yes	Supply Chain Policy
1.8	This file must form the basis for follow up of orders and for matching goods that are delivered to stores	Ongoing	CFO	Yes	Supply Chain policy
1.9	The orders file should be reviewed daily by the Stores Controller and any orders, which have not been delivered as per the agreement with the buyer, must be followed up immediately.	Ongoing	CFO	Yes	Supply Chain Policy

Thabachweu Local Municipality

NO	PROCEDURE	FREQ	RESPONSIBLE	KPI	APPLICABLE POLICY
2.	Receipt of Stores:				
2.1	Stores will be delivered to the receiving area where the documentation will be recorded and then forwarded to the Stores Controller.	Ongoing	CFO	Yes	Supply Chain Policy
2.2	The receiving official must match the delivery note to the purchase order, and fill out a pre-numbered goods received note.	Ongoing	CFO	Yes	Supply Chain policy
2.3	The Stores Controller must compare the delivery to the relevant order before accepting the goods.	Ongoing	CFO	Yes	Supply Chain Policy
2.4	The goods received note must be signed by the Stores Controller as proof of acceptance of the goods.	Ongoing	CFO	Yes	Supply Chain Policy
2.5	A stores register which reflects full particulars of receipts and issues must be maintained by the Stores Controller and updated immediately when goods are received or issued.	Ongoing	CFO	Yes	Supply Chain Policy
2.6	Stores unused after the completion of the work or the fulfilment of the purpose for which they were issued, must be returned to the store and must be included in stock.	Periodically	HOD	Yes	Supply Chain Policy
2.7	Sections returning the remaining stores on the completion of work must send to the Stores Controller an advice note detailing the stores that were returned.	Periodically	HOD	Yes	Supply Chain Policy
2.8	The Chief Financial Officer should trace a sample of these advice notes				

Thabachweu Local Municipality

NO	PROCEDURE	FREQ	RESPONSIBLE	KPI	APPLICABLE POLICY
	to the stores register on a periodic basis.	Periodically	CFO	Yes	Supply Chain Policy
3.	Maintenance of Stores:				
3.1.	Stores and equipment belonging to the Council must be clearly marked / bar-coded as such, to indicate ownership.	Ongoing	CFO	Yes	Supply Chain Policy
3.2	Stores belonging to the Council shall be kept in a place approved of by the Chief Financial Officer, subject to the conditions he or she determines.	Ongoing	CFO	Yes	Supply Chain Policy
3.3	No section shall carry stores in excess of its normal requirements, as may be determined by the Chief Financial Officer.	Ongoing	CFO	Yes	Supply Chain Policy
3.4	Designated officers will be responsible for the safe custody of stores issued to their section, and must, if requested to do so by the Chief Financial Officer, furnish full details of any stores held by their section.	Ongoing	CFO	Yes	Supply Chain Policy
3.5	The Chief Financial Officer shall ensure that at least once every financial year, stock-taking of all stores of the Council takes place as follows:	Annually	CFO	Yes	Supply Chain Policy
3.5.1	The financial year-end stock take will take place on the last day of the financial year or as close to that date as possible.	Annually	CFO	Yes	Supply Chain Policy
3.5.2	All Heads of Sections and the Council's external auditors must be notified of the date of the annual year end stock take.	Annually	CFO	Yes	Supply Chain Policy
3.5.3	Stores must be closed at noon the day before stock take. A notice to this effect must be prominently displayed on the stores notice board.	Annually	CFO	Yes	Supply Chain Policy
3.5.4	In the case of an emergency, stores may only be issued on the explicit authority of a designated official.	Annually	CFO	Yes	Supply Chain Policy
3.5.5	Prior to stock take, the Stores Controller must ensure that all transactions up to the date of stock take have been recorded. All				

Thabachweu Local Municipality

NO	PROCEDURE	FREQ	RESPONSIBLE	KPI	APPLICABLE POLICY
	goods received notes, requisition issues and goods returned notes should be entered onto the stores register.	Annually	CFO	Yes	Supply Chain Policy
3.5.6	An official, delegated the responsibility, shall make available stock take listing sheets to auditors for recording the physical count figures.	Annually	CFO	Yes	Supply Chain Policy
3.5.7	Stock items must be counted in an orderly fashion from one end to the other, by persons not dealing with stock on a regular basis.	Annually	CFO	Yes	Supply Chain Policy
3.5.8	Stock that has been drawn for use at a later date should be included in the stock-count and not expensed. Consumables should also be included in the stock-count and not expensed.	Annually	CFO	Yes	Supply Chain Policy
3.5.9	After each item is counted, they must be marked with a sticker to indicate that they have been counted.	Annually	CFO	Yes	Supply Chain Policy
3.5.10	After each item is counted, the total must be entered onto the stock sheets.	Annually	CFO	Yes	Supply Chain Policy
3.5.11	Stock sheets must be signed by counters and checkers.	Annually	CFO	Yes	Supply Chain Policy
3.5.12	On completion of the count, all stock sheets must be handed to the Chief Financial Officer.	Annually	CFO	Yes	Supply Chain Policy
3.5.13	Physical count figures will be verified to the computerised listing. The Stock Controller should not be involved in any aspect of this verification.	Annually	CFO	Yes	Supply Chain Policy
3.5.14	Should any discrepancies arise, a recount of the product is done, and the requisition entries are re-checked.	Annually	CFO	Yes	Supply Chain Policy
3.5.15	All write-offs of obsolete or damaged stock should be authorised by the Chief Financial Officer.	Annually	CFO	Yes	Supply Chain Policy
3.5.16	The Chief Financial Officer shall submit a report stating the quantity and value of any surplus or shortage of stores revealed by the stock-take, together with the reasons for this, who may then require the Stores Controller to furnish him with reasons for any shortages, in writing.	Annually	CFO	Yes	Supply Chain Policy
3.5.17	The Chief Financial Officer shall then report such surpluses and shortfalls to the Council for further steps to be taken, if necessary.	Annually	CFO	Yes	Supply Chain Policy

Thabachweu Local Municipality

NO	PROCEDURE	FREQ	RESPONSIBLE	KPI	APPLICABLE POLICY
3.6	A thorough internal control system must be established by the Chief Financial Officer to ensure that when a change of officials responsible for stores and equipment takes place, accountability with regard to losses and deficits can be clearly established.	Periodic	CFO	Yes	Supply Chain Policy
4.	Issue of Stores:				
4.1	Only the Stores Controller will be authorised to issue goods from the storeroom.	Ongoing	CFO	Yes	Supply Chain Policy
4.2	Stores should only be issued in terms of a properly authorised requisition form.	Ongoing	CFO	Yes	Supply Chain Policy
4.3	Specimen signatures of all persons authorised to sign requisitions shall be supplied to the Stores Controller.	Ongoing	CFO	Yes	Supply Chain Policy
4.4	If the signature is not of an authorised official, the requisition should be sent back to the respective section.	Ongoing	CFO	Yes	Supply Chain Policy
4.5	The Stores Controller must verify that the correct vote is entered on the requisition for the type of goods requested and that there is sufficient budget provision against the vote.	Ongoing	CFO	Yes	Supply Chain Policy
4.6	An issue note must then be completed and printed in duplicate. Control of the issue book is the responsibility of the Stores Controller.	Ongoing	CFO	Yes	Supply Chain Policy
4.7	The Stores Controller and the recipient of goods must agree that the goods requisitioned, agree to the goods drawn from stores, which is consistent with the issue note.	Ongoing	CFO	Yes	Supply Chain Policy

Thabachweu Local Municipality

NO	PROCEDURE	FREQ	RESPONSIBLE	KPI	APPLICABLE POLICY
4.8	The recipient must sign the issues note/book as evidence that the goods stated on the issue note, have been received.	Ongoing	CFO	Yes	Supply Chain Policy
4.9	Once the stores have been issued, the stores register must be updated by the Stores Controller.	Ongoing	CFO	Yes	Supply Chain Policy
4.10	The issue note and the requisition must be filed in sequential order.	Ongoing	CFO	Yes	Supply Chain Policy
5.	Disposal of Stores:				
5.1	The Chief Financial Officer must furnish the Council with a list of stores to be disposed of, together with the reasons for their disposal.	Periodically	CFO	Yes	Supply Chain Policy
5.2	The stores disposed of in the instance referred to above may only be handed over to the purchaser on full payment of the purchase price, or when other satisfactory arrangements for payment have been made with the Chief Financial Officer.	Periodically	CFO	Yes	Supply Chain Policy
5.3	Stores may be disposed of by public auction provided that the approval of Council is obtained.	Periodically	CFO	Yes	Supply Chain Policy